

## A SAVVY CONSUMER'S GUIDE TO AN EOB

### Learn to read your EOB

Do your medical bills leave you with more questions than answers? Check your EOB (explanation of benefits). It can help you track expenses, understand your benefits, and avoid paying too much.

An EOB is a form sent to you by your insurance company that explains what services and procedures were performed, what they cost, how much is covered by insurance, and how much you, the patient must pay. An EOB is not a bill, but it shows information that could save you money.

#### Standard medical codes

When you visit a medical provider, the office staff uses standard medical codes to note every service you get. Then the doctor's office staff sends your insurance company an itemized bill containing service codes and the charges for the service.

At that point, your medical bill becomes a claim, a request for payment based on the provisions of your insurance policy. Humana assigns a unique number to the claim and sends it to a service center for processing.

When you receive an EOB, take a moment to look at the service dates, provider name, service codes, and code descriptions. If you have any questions or problems, make note of the claim number on your EOB. This number helps Humana or the provider track the issue and resolve it promptly.



#### Deductions and exclusions

The majority of claims are processed automatically. If there's something unusual about a claim, like missing codes or charges, a processing specialist takes a closer look. When processing your claim, two key questions are:

- Is the provider part of Humana's network?
- Is the service covered by the member's plan?

Those questions and others help the claims processor decide what to pay or not pay. For example:

- Humana may have an agreement with your provider to pay a reduced amount. This doctor or hospital is referred to as an in-network provider. Your EOB may also refer to this as a "provider discount."
- You may have an annual deductible to meet before benefits are paid.
- You may owe a copayment or coinsurance.
- The service billed may not be covered under your plan. Refer to your Certificate/Policy/Benefit Plan Summary about non-covered services.

Your EOB explains any excluded amounts (i.e., what will not be paid by your insurance). If you haven't met your deductible, the excluded amount is your responsibility. If the amount is excluded because of a provider discount, you don't have to pay the difference. That's the benefit of using an in-network provider.

After claims processing determines how much of the total charge your plan covers, Humana deducts excluded amounts. That leaves two balances: what Humana pays the provider and what you pay.

## 1 The basics

- **Member information** – The Humana member's name and address.
- **ID number** – The member's unique Humana identification number.
- **Patient information** – The patient who received services, and a code indicating the patient's relationship to the member. This section also includes the claim number for this service. Have this claim number handy if you contact Humana or your provider about the claim.
- **Group number** – The group number in which the member is enrolled.
- **Date** – The date Humana issued the EOB.



## 4 Notes and explanations

- **Service code remarks** – A short description of the service you received – for example, an office visit or lab work.
- **Excluded code remarks** – If part of your provider's charge was excluded, this section explains why. If this section says "letter to follow," Humana sent an explanation to your provider and you may not receive a copy.
- **Claim information** – If your plan has a deductible, look here for accumulation information. This section also includes general information about your claim or directs you to separate attachments.

## 2 About your services

- **Date of service** – The date, or range of dates, you received services.
- **Provider** – The name of the provider or facility (for example, a doctor or lab) that submitted the charges.
- **Service code** – Your health care provider assigns this standard industry code. For a description of what the code means, see the service code remarks.

## 3 How Humana processed your claim

- **Charge** – The amount your provider billed for the service.
- **Excluded amount** – The amount not eligible for benefits under your plan. Refer to the excluded amount remarks for details.
- **Provider discount** (not included on all EOBs) – If Humana has an agreement with your provider to pay a certain amount for a service, this column shows the reduced amount based on that agreement.
- **Deductible/copayment** – A deductible is the dollar amount you're responsible for paying before your insurance starts to pay. A copayment is the amount you're expected to pay at the time of service.
- **Payment amount** – The actual amount your provider charged, minus the excluded amount, deductible, and/or copayment.
- **Estimated member responsibility** – The amount you owe the provider, based on the information available when Humana processed the claim. This amount includes any copayment, deductibles, coinsurance, and excluded charges.
- **Totals** – Summary of the amounts listed above on your EOB.
- **Amount paid by other insurance** – The dollar amount another health plan will pay toward the claim (for example, your spouse's insurance, if applicable). This section shows the eligible amount (the total benefit amount shown above) and the minus amount, which another health plan will pay.
- **Amount paid by Humana** – The benefit amount minus what other insurance paid (if applicable). In most cases, Humana pays this amount to your provider within 7-14 days of issuing the EOB.

GROUP # N0688001  
ARROW ELECTRIC CO., INC.  
HUMANA HEALTH PLAN, INC.



**HUMANA®**

## EXPLANATION OF BENEFITS - THIS IS NOT A BILL

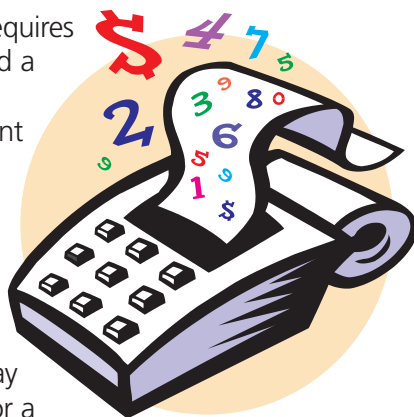
<div> <div>MEMBER NAME AND ADDRESS</div> <div>1</div> <div>ID NO.:</div> </div>		<div> <div>PATIENT</div> <div>NAME: DOC NO.: PAT. NO.: CLAIM NO.: REL.:</div> </div>		<div> <div>2 - 4</div> <div>PRODUCT LINE: GROUP NO.:</div> </div>		<div> <div>SEQUENCE NO. 0000</div> <div>DATE 08 - 11</div> </div>											
<div> <div>DATE OF SERVICE FROM TO</div> <div>08/03/04 08/03/04</div> <div>08/03/04 08/03/04</div> <div>08/03/04 08/03/04</div> </div>		<div> <div>PROVIDER</div> <div>STEPHENSON STEPHENSON UNIVERSITY HOSPITAL</div> </div>		<div> <div>SVC CDE</div> <div>OV SG XR</div> </div>		<div> <div>CHARGE</div> <div>35.00 136.00 75.60</div> </div>		<div> <div>EXCLUDED AMOUNT REMARKS</div> <div>21.00 6HC .00 .00 6HC</div> </div>		<div> <div>PROVIDER DISCOUNT</div> <div>.00 .00 39.17</div> </div>		<div> <div>DEDUCT COPAY/COINS</div> <div>14.00 136.00 .00</div> </div>		<div> <div>PAYMENT AMOUNT</div> <div>.00 .00 36.43</div> </div>			
<div>EST. MEMBER RESPONSIBILITY = \$150.00 (SEE REVERSE SIDE FOR EXPLANATION)</div>				<div>TOTALS▶</div>		<div>246.60</div>		<div>21.00</div>		<div>39.17</div>		<div>150.00</div>		<div>36.43</div>			
<div>SERVICE CODE</div>		<div> <div>DV 99025 OFFICE VISIT</div> <div>SG 65222 SURGERY</div> <div>XR 403 RADIOLOGY SERVICES</div> </div>										<div>AMOUNT PAID BY OTHER INSURANCE ▶</div>		<div>.00</div>			
<div>SERVICE CODE</div>		<div> <div>4</div> </div>										<div>AMOUNT PAID BY HUMANA ▶</div>		<div>36.43</div>			
<div>EXCLUDED CODE REMARKS</div>		<div> <div>6HC This provider is a member of the Humana Network. Services are discounted according to the Humana Network negotiated rate.</div> </div>										<div>BENEFITS PAID TO THE FOLLOWING</div>		<div>UNIVERSITY HSP</div>		<div>36.43</div>	
<div>CLAIM INFORMATION</div>		<div> <div>LINE 01 DEDUCTIBLE .00 COPAY 14.00 COINSURANCE .00</div> <div>LINE 02 DEDUCTIBLE 136.00 COPAY .00 COINSURANCE .00</div> <div>LINE 03 DEDUCTIBLE .00 COPAY .00 COINSURANCE .00</div> <div>CLAIM TOTAL DEDUCTIBLE 136.00 14.00 COINSURANCE .00</div> </div>										<div>ANY QUESTIONS - PLEASE CONTACT</div>		<div> <div>HUMANA INSURANCE COMPANY</div> <div>P. O. BOX 13068</div> <div>GREEN BAY, WI 54307-3068</div> <div>OR CALL 1-866-427-7478</div> <div>OR VISIT WWW.HUMANA.COM</div> </div>		<div>5</div>	
<div>HELP STOP INSURANCE FRAUD. IF YOU KNOW OR SUSPECT ILLEGAL ACTIVITY REGARDING YOUR INSURANCE CLAIMS, CALL THE TELEPHONE NUMBER ON THIS FORM.</div>														<div> </div>		<div> </div>	

## 5 How to contact us

Call or write to Humana if you have questions about your EOB or want to contest the claim. Please have your claim number handy so that we can assist you more quickly. If you have questions about your e-EOB you can get answers by sending Humana a message at MyCommunications Center.

## How your cost is calculated

Typically, if a service requires both a copayment and a deductible, Humana applies your copayment first, then your deductible, then coinsurance. For example, assume you're admitted to a participating hospital for a three-day stay. Your plan calls for a \$100 copayment per day for the first 10 days, then a \$250 annual deductible, and then your plan pays 90 percent. Here's how it would break down:



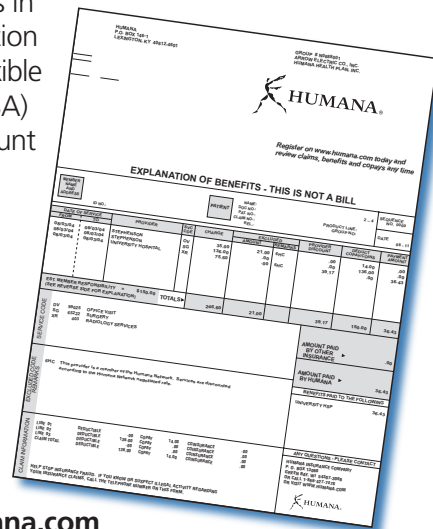
Hospital Inpatient Charge	\$ 3,200
Participating Provider Discount	\$ - 500
Balance	\$ 2,700
\$100 Daily Copayment x 3 Days	\$ -300
Balance	\$ 2,400
Annual Deductible	\$ - 250
Balance	\$ 2,150
Coinsurance is 90%	x .90
Humana Paid Amount	\$ 1,935

Your estimated member responsibility is the \$300 copayment plus the \$250 annual deductible and your 10 percent coinsurance (\$2,150 - \$1,935 = \$215), for a total member responsibility of \$765.

Remember, the EOB is not a bill. If you're responsible for any additional charges, your provider will bill you directly. You should always compare your provider's bill with your EOB before you send payment. This could save you from paying more than your fair share.

## Keeping track of your EOBs

Hang on to your EOBs in case you have a question later. If you have a Flexible Spending Account (FSA) or Personal Care Account (PCA), you may need the EOB to verify that your out-of-pocket expenses qualify for reimbursement. You can always view up to 18 months of previous claim detail online at MyHumana, your secure home page on [www.humana.com](http://www.humana.com).



## You can receive your EOBs online

If you would like to see your EOBs as quickly as possible, you can opt to receive your EOBs online. Just follow these easy steps:

- Go to [www.humana.com](http://www.humana.com).
- Logon to MyHumana.
- Go to MyCommunications Center.
- Click on Change MyPreferences.
- Select "e-mail EOBs."

After that, when an EOB is generated for you, you will not receive a paper mailing. Instead, you will receive an e-mail notification that you have an electronic EOB (e-EOB) awaiting you on MyHumana. The notification will include a link to the e-EOB (you will need to logon to MyHumana first). The benefit to you is that the e-EOB is available as soon as it is generated (often days before you would have received your paper version) and has links that will further explain the EOB entries. Although it will differ in appearance from a paper EOB, the e-EOB can be used in the same way that you use your paper version:

- Submit it to another insurance carrier.
- File it with a flexible spending account.
- Retain it for use in filing your income taxes.

If a payment is due to you, we will mail you a paper EOB with the check attached.

